

AMENDED IN ASSEMBLY MAY 13, 2004
AMENDED IN ASSEMBLY JANUARY 5, 2004
AMENDED IN ASSEMBLY JULY 14, 2003
AMENDED IN SENATE APRIL 29, 2003

SENATE BILL

No. 635

**Introduced by Senator Dunn
(Coauthor: Senator Romero)**

February 21, 2003

An act to add Section 76104.1 to the Government Code, and to amend Section 1797.98e of the Health and Safety Code, relating to emergency medical services.

LEGISLATIVE COUNSEL'S DIGEST

SB 635, as amended, Dunn. Emergency medical services.

(1) Existing law authorizes each county to establish an emergency medical services fund, funded by specified revenue penalties, and makes money in the fund available for the reimbursement of physicians and surgeons and hospitals for losses incurred in the provision of emergency medical services when payment is not otherwise made for those services.

This bill would authorize Santa Barbara County to collect additional penalties, ~~as specified fines, or forfeitures~~, provided that the Santa Barbara County Board of Supervisors adopts a resolution stating that implementation of these provisions is necessary to the county for purposes of providing payment for emergency medical services.

(2) Existing law provides that payments for emergency medical services from the county emergency medical services fund shall be

made only for emergency medical services provided on the calendar day on which emergency medical services are first provided and on the immediately following 2 calendar days, and specifies that payments may not be made for services provided beyond a 48-hour period of continuous service to the patient.

Existing law also provides that if it is necessary to transfer the patient to a 2nd facility providing a higher level of care for the treatment of the emergency condition, reimbursement shall be available for services provided at the facility to which the patient was transferred on the calendar day of transfer and on the immediately following 2 calendar days, and specifies that payments may not be made for services provided beyond a 48-hour period of continuous service to the patient.

This bill would eliminate the limitation against making those payments for services provided beyond a 48-hour period of continuous services to the patient.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 76104.1 is added to the Government
2 Code, to read:

3 76104.1. (a) Notwithstanding any other provision of law, for
4 purposes of supporting emergency medical services pursuant to
5 Chapter 2.5 (commencing with Section 1797.98a) of Division 2.5
6 of the Health and Safety Code, in Santa Barbara County, a penalty
7 of five dollars (\$5.00) for every ten dollars (\$10.00), or fraction
8 thereof, shall be imposed on every fine, penalty, or forfeiture
9 collected for criminal offenses, together with and in the same
10 manner as the amount established by Section 1464 of the Penal
11 Code.

12 (b) *Notwithstanding any other provision of law, for the*
13 *purposes of supporting emergency medical services pursuant to*
14 *Chapter 2.5 (commencing with Section 1797.98a) of Division 2.5*
15 *of the Health and Safety Code, in Santa Barbara County, for every*
16 *parking offense, as defined in subdivision (i) of Section 1463 of the*
17 *Penal Code, where a parking penalty, fine, or forfeiture is imposed,*
18 *an added penalty of two dollars and fifty cents (\$2.50) shall be*
19 *included in the total penalty, fine, or forfeiture, together with and*



1 *in the same manner as the amount established pursuant to*
2 *subdivision (b) of Section 76000.*

3 (c) The moneys collected pursuant to ~~subdivision (a) this~~
4 *section* shall be held by the county treasurer in the same manner,
5 and shall be payable for the same purposes, described in
6 subdivision (e) of Section 76104.

7 ~~(e)–~~

8 (d) This section shall be implemented only if the Santa Barbara
9 County Board of Supervisors adopts a resolution stating that
10 implementation of this section is necessary to the county for
11 purposes of providing payment for emergency medical services.

12 SEC. 2. ~~Section 1797.98e of the Health and Safety Code is~~
13 ~~amended to read:~~

14 ~~1797.98e. (a) It is the intent of the Legislature that a~~
15 ~~simplified, cost-efficient system of administration of this chapter~~
16 ~~be developed so that the maximum amount of funds may be~~
17 ~~utilized to reimburse physicians and surgeons and for other~~
18 ~~emergency medical services purposes. The administering agency~~
19 ~~shall select an administering officer and shall establish procedures~~
20 ~~and time schedules for the submission and processing of proposed~~
21 ~~reimbursement requests submitted by physicians and surgeons.~~
22 ~~The schedule shall provide for disbursements of moneys in the~~
23 ~~Emergency Medical Services Fund on at least a quarterly basis to~~
24 ~~applicants who have submitted accurate and complete data for~~
25 ~~payment. When the administering agency determines that claims~~
26 ~~for payment for physician and surgeon services are of sufficient~~
27 ~~numbers and amounts that, if paid, the claims would exceed the~~
28 ~~total amount of funds available for payment, the administering~~
29 ~~agency shall fairly prorate, without preference, payments to each~~
30 ~~claimant at a level less than the maximum payment level. Each~~
31 ~~administering agency may encumber sufficient funds during one~~
32 ~~fiscal year to reimburse claimants for losses incurred during that~~
33 ~~fiscal year for which claims will not be received until after the~~
34 ~~fiscal year. The administering agency may, as necessary, request~~
35 ~~records and documentation to support the amounts of~~
36 ~~reimbursement requested by physicians and surgeons and the~~
37 ~~administering agency may review and audit the records for~~
38 ~~accuracy. Reimbursements requested and reimbursements made~~
39 ~~that are not supported by records may be denied to, and recouped~~
40 ~~from, physicians and surgeons. Physicians and surgeons found to~~

1 submit requests for reimbursement that are inaccurate or
2 unsupported by records may be excluded from submitting future
3 requests for reimbursement. The administering officer shall not
4 give preferential treatment to any facility, physician and surgeon,
5 or category of physician and surgeon and shall not engage in
6 practices that constitute a conflict of interest by favoring a facility
7 or physician and surgeon with which the administering officer has
8 an operational or financial relationship. A hospital administrator
9 of a hospital owned or operated by a county of a population of
10 250,000 or more as of January 1, 1991, or a person under the direct
11 supervision of that person, shall not be the administering officer.
12 The board of supervisors of a county or any other county agency
13 may serve as the administering officer.

14 (b) Each provider of health services that receives payment
15 under this chapter shall keep and maintain records of the services
16 rendered, the person to whom rendered, the date, and any
17 additional information the administering agency may, by
18 regulation, require, for a period of three years from the date the
19 service was provided. The administering agency shall not require
20 any additional information from a physician and surgeon
21 providing emergency medical services that is not available in the
22 patient record maintained by the entity listed in subdivision (f)
23 where the emergency medical services are provided, nor shall the
24 administering agency require a physician and surgeon to make
25 eligibility determinations.

26 (c) During normal working hours, the administering agency
27 may make any inspection and examination of a hospital's or
28 physician and surgeon's books and records needed to carry out the
29 provisions of this chapter. A provider who has knowingly
30 submitted a false request for reimbursement shall be guilty of civil
31 fraud.

32 (d) Nothing in this chapter shall prevent a physician and
33 surgeon from utilizing an agent who furnishes billing and
34 collection services to the physician and surgeon to submit claims
35 or receive payment for claims.

36 (e) All payments from the fund pursuant to Section 1797.98e
37 to physicians and surgeons shall be limited to physicians and
38 surgeons who, in person, provide onsite services in a clinical
39 setting, including, but not limited to, radiology and pathology
40 settings.

~~(f) All payments from the fund shall be limited to claims for care rendered by physicians and surgeons to patients who are initially medically screened, evaluated, treated, or stabilized in any of the following:~~

~~(1) A basic or comprehensive emergency department of a licensed general acute care hospital.~~

~~(2) A site that was approved by a county prior to January 1, 1990, as a paramedic receiving station for the treatment of emergency patients.~~

~~(3) A standby emergency department that was in existence on January 1, 1989, in a hospital specified in Section 124840.~~

~~(4) For the 1991-92 fiscal year and each fiscal year thereafter, a facility which contracted prior to January 1, 1990, with the National Park Service to provide emergency medical services.~~

~~(g) Payments shall be made only for emergency medical services provided on the calendar day on which emergency medical services are first provided and on the immediately following two calendar days.~~

~~(h) Notwithstanding subdivision (g), if it is necessary to transfer the patient to a second facility providing a higher level of care for the treatment of the emergency condition, reimbursement shall be available for services provided at the facility to which the patient was transferred on the calendar day of transfer and on the immediately following two calendar days.~~

~~(i) Payment shall be made for medical screening examinations required by law to determine whether an emergency condition exists, notwithstanding the determination after the examination that a medical emergency does not exist. Payment shall not be denied solely because a patient was not admitted to an acute care facility. Payment shall be made for services to an inpatient only when the inpatient has been admitted to a hospital from an entity specified in subdivision (f).~~

~~(j) The administering agency shall compile a quarterly and yearend summary of reimbursements paid to facilities and physicians and surgeons. The summary shall include, but shall not be limited to, the total number of claims submitted by physicians and surgeons in aggregate from each facility and the amount paid to each physician and surgeon. The administering agency shall provide copies of the summary and forms and instructions relating~~

1 to making claims for reimbursement to the public, and may charge
2 a fee not to exceed the reasonable costs of duplication.

3 ~~(k) Each county shall establish an equitable and efficient~~
4 ~~mechanism for resolving disputes relating to claims for~~
5 ~~reimbursements from the fund. The mechanism shall include a~~
6 ~~requirement that disputes be submitted either to binding~~
7 ~~arbitration conducted pursuant to arbitration procedures set forth~~
8 ~~in Chapter 3 (commencing with Section 1282) and Chapter 4~~
9 ~~(commencing with Section 1285) of Part 3 of Title 9 of the Code~~
10 ~~of Civil Procedure, or to a local medical society for resolution by~~
11 ~~neutral parties.~~

12 *SEC. 2. Section 1797.98e of the Health and Safety Code is*
13 *amended to read:*

14 1797.98e. (a) It is the intent of the Legislature that a
15 simplified, cost-efficient system of administration of this chapter
16 be developed so that the maximum amount of funds may be
17 utilized to reimburse physicians and surgeons and for other
18 emergency medical services purposes. The administering agency
19 shall select an administering officer and shall establish procedures
20 and time schedules for the submission and processing of proposed
21 reimbursement requests submitted by physicians and surgeons.
22 The schedule shall provide for disbursements of moneys in the
23 Emergency Medical Services Fund on at least a quarterly basis to
24 applicants who have submitted accurate and complete data for
25 payment. When the administering agency determines that claims
26 for payment for physician and surgeon services are of sufficient
27 numbers and amounts that, if paid, the claims would exceed the
28 total amount of funds available for payment, the administering
29 agency shall fairly prorate, without preference, payments to each
30 claimant at a level less than the maximum payment level. Each
31 administering agency may encumber sufficient funds during one
32 fiscal year to reimburse claimants for losses incurred during that
33 fiscal year for which claims will not be received until after the
34 fiscal year. The administering agency may, as necessary, request
35 records and documentation to support the amounts of
36 reimbursement requested by physicians and surgeons and the
37 administering agency may review and audit the records for
38 accuracy. Reimbursements requested and reimbursements made
39 that are not supported by records may be denied to, and recouped
40 from, physicians and surgeons. Physicians and surgeons found to

1 submit requests for reimbursement that are inaccurate or
 2 unsupported by records may be excluded from submitting future
 3 requests for reimbursement. The administering officer shall not
 4 give preferential treatment to any facility, physician and surgeon,
 5 or category of physician and surgeon and shall not engage in
 6 practices that constitute a conflict of interest by favoring a facility
 7 or physician and surgeon with which the administering officer has
 8 an operational or financial relationship. A hospital administrator
 9 of a hospital owned or operated by a county of a population of
 10 250,000 or more as of January 1, 1991, or a person under the direct
 11 supervision of that person, shall not be the administering officer.
 12 The board of supervisors of a county or any other county agency
 13 may serve as the administering officer. The administering officer
 14 shall solicit input from physicians and surgeons and hospitals to
 15 review payment distribution methodologies to ensure fair and
 16 timely payments. This requirement may be fulfilled through the
 17 establishment of an advisory committee with representatives
 18 comprised of local physicians and surgeons and hospital
 19 administrators. In order to reduce the county's administrative
 20 burden, the administering officer may instead request an existing
 21 board, commission, or local medical society, or physicians and
 22 surgeons and hospital administrators, representative of the local
 23 community, to provide input and make recommendations on
 24 payment distribution methodologies.

25 (b) Each provider of health services that receives payment
 26 under this chapter shall keep and maintain records of the services
 27 rendered, the person to whom rendered, the date, and any
 28 additional information the administering agency may, by
 29 regulation, require, for a period of three years from the date the
 30 service was provided. The administering agency shall not require
 31 any additional information from a physician and surgeon
 32 providing emergency medical services that is not available in the
 33 patient record maintained by the entity listed in subdivision (f)
 34 where the *emergency* medical services are provided, nor shall the
 35 administering agency require a physician and surgeon to make
 36 eligibility determinations.

37 (c) During normal working hours, the administering agency
 38 may make any inspection and examination of a hospital's or
 39 physician and surgeon's books and records needed to carry out the
 40 provisions of this chapter. A provider who has knowingly



1 submitted a false request for reimbursement shall be guilty of civil
2 fraud.

3 (d) Nothing in this chapter shall prevent a physician and
4 surgeon from utilizing an agent who furnishes billing and
5 collection services to the physician and surgeon to submit claims
6 or receive payment for claims.

7 (e) All payments from the fund pursuant to Section 1797.98c
8 to physicians and surgeons shall be limited to physicians and
9 surgeons who, in person, provide onsite services in a clinical
10 setting, including, but not limited to, radiology and pathology
11 settings.

12 (f) All payments from the fund shall be limited to claims for
13 care rendered by physicians and surgeons to patients who are
14 initially medically screened, evaluated, treated, or stabilized in
15 any of the following:

16 (1) A basic or comprehensive emergency department of a
17 licensed general acute care hospital.

18 (2) A site that was approved by a county prior to January 1,
19 1990, as a paramedic receiving station for the treatment of
20 emergency patients.

21 (3) A standby emergency department that was in existence on
22 January 1, 1989, in a hospital specified in Section 124840.

23 (4) For the 1991–92 fiscal year and each fiscal year thereafter,
24 a facility which contracted prior to January 1, 1990, with the
25 National Park Service to provide emergency medical services.

26 (g) Payments shall be made only for emergency *medical*
27 services provided on the calendar day on which emergency
28 medical services are first provided and on the immediately
29 following two calendar days; ~~however, payments may not be made~~
30 ~~for services provided beyond a 48-hour period of continuous~~
31 ~~service to the patient.~~

32 (h) Notwithstanding subdivision (g), if it is necessary to
33 transfer the patient to a second facility providing a higher level of
34 care for the treatment of the emergency condition, reimbursement
35 shall be available for services provided at the facility to which the
36 patient was transferred on the calendar day of transfer and on the
37 immediately following two calendar days; ~~however, payments~~
38 ~~may not be made for services provided beyond a 48-hour period~~
39 ~~of continuous service to the patient.~~

(i) Payment shall be made for medical screening examinations required by law to determine whether an emergency condition exists, notwithstanding the determination after the examination that a medical emergency does not exist. Payment shall not be denied solely because a patient was not admitted to an acute care facility. Payment shall be made for services to an inpatient only when the inpatient has been admitted to a hospital from an entity specified in subdivision (f).

(j) The administering agency shall compile a quarterly and yearend summary of reimbursements paid to facilities and physicians and surgeons. The summary shall include, but shall not be limited to, the total number of claims submitted by physicians and surgeons in aggregate from each facility and the amount paid to each physician and surgeon. The administering agency shall provide copies of the summary and forms and instructions relating to making claims for reimbursement to the public, and may charge a fee not to exceed the reasonable costs of duplication.

(k) Each county shall establish an equitable and efficient mechanism for resolving disputes relating to claims for reimbursements from the fund. The mechanism shall include a requirement that disputes be submitted either to binding arbitration conducted pursuant to arbitration procedures set forth in Chapter 3 (commencing with Section 1282) and Chapter 4 (commencing with Section 1285) of Part 3 of Title 9 of the Code of Civil Procedure, or to a local medical society for resolution by neutral parties.

SEC. 3. The Legislature finds and declares that due to unique circumstances regarding emergency medical services in Santa Barbara County, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution. Therefore, the special legislation contained in Section 1 of this act is necessarily applicable only to Santa Barbara County.

